



A History of Major Legislation Affecting Child Care and Preschool Funding

STATE LEGISLATION

1913

• **LICENSURE** required for institutions that care for children. *AB 512, Chapter 69*

1927

• **FIRST STANDARDS** for 'day nurseries' were adopted in 1927. The first 2 'day nurseries' to be licensed were the Grace Day Home in Sacramento, a Franciscan-operated program designed to care for 100 children, and the Colored Children's Home and Day Nursery in Oakland, licensed to care for 12 children. By 1928, the state had licensed 28 day nurseries with a total capacity of 1,700 children. These nurseries were operated as charities with about two-thirds of expenses paid through the 'community chest' (local funds raised by private donations for charity and social welfare - now called the United Way) and the remainder through parent fees and private donations. In addition, Los Angeles had established a system of day nurseries that served about 1,400 children in connection with the public schools. *SB 570, Chapter 510*

1929

• **PARENT PARTICIPATION 'CO-OP' PRESCHOOL PROGRAM** established under the Adult Education Bureau of Parent Education for the purpose of providing a social experience for children and parent education to the parents. Parent education funding originated with a grant from the Laura Spelman Rockefeller Memorial Foundation in 1926. State funding for the "evening high school" classes was established in 1931. *SB 832, Chapter 1185 (1931)*

1936

• **LICENSING LAWS** passed under the new Welfare and Institutions Code to protect children from common hazards believed to be present in all types of out-of-home care. *SB 389, Chapter 369*

1943

• **STATE 'LANHAM' CHILD CARE CENTER PROGRAM** established to provide child care services to women in industry as a result of the war. The program was funded mostly through the federal Lanham Act and parent fees, although the state did contribute \$500,000. Centers were operated by school districts and administered by the California Department of Education. Supervision and care was provided for children ages 2 to 16, 12 hours a day, 6 days a week. Each center was to devise its own fee schedule, with special consideration to be given to women whose husbands had been killed or maimed in the war. *AB 307, Chapter 16; AB 1733, Chapter 923*

1945

• **STATE CHILD CARE CENTER PROGRAM** augmented by \$40,000 in state funds. *AB 739, Chapter 1075*

1946

• **FEDERAL 'LANHAM' FUNDING** terminated for wartime child care programs in February 1946. To support efforts to rebuild after the war, California

took over funding of the state child care center program at \$3.5 million with the intent of ending the program in March 1947. New centers were established for the children of agricultural workers and food processors. Eligibility was extended to veterans who needed child care to obtain an education. *ABX 7, Chapter 34; SBX 45, Chapter 35*

1947

• **STATE CHILD CARE CENTER PROGRAM** extended through June 1947 for a total annual funding of \$5 million, then extended on an annual basis until 1957, when the program became permanent. Eligibility was also broadened to include school teachers, registered nurses, and any needy parent. Guidelines for a sliding fee scale established with a nominal fee for very poor families. *AB 360, Chapter 7; AB 1781, Chapter 956*

1948

• **SAN FRANCISCO STATE COLLEGE** authorized to establish a state child care center, becoming the first center that wasn't operated by a school district to participate in the state program. *AB 9, Chapter 4*

1949

• **LOCAL TAX AUTHORITY** granted to school districts and counties to support their child care centers. School districts and counties could increase property tax rates without taking the issue to the voters. Los Angeles and San Francisco became the first to levy these taxes for child care purposes in 1959. *AB 707, Chapter 780*

1951

• **GEDDES-KRAFT CHILD CARE CENTER ACT** passed due to increased drafting of men during the Cold War. This act continued funding of the state child care center program, giving priority to needy parents. Eligibility was also extended to industry workers in the mobilization effort. The state funded two-thirds of the program (\$5.4 million) and parent fees made up the rest. Reference to war as the reason for state child care centers was dropped in 1955. *AB 3410, Chapter 1263*

1953

• **CHILD CARE WORKERS** permitted to admit their own children to state child care centers. *AB 1527, Chapter 1427*

1957

• **STATE CHILD CARE CENTER PROGRAM** made permanent. Eligibility extended to single parents in job training. *AB 136, Chapter 182*

1959

• **PILOT 'CHILD CARE CENTERS FOR THE MENTALLY RETARDED AND PHYSICALLY HANDICAPPED'** established; later renamed 'development centers' and integrated into state special schools. *SB 740, Chapter 2096*

1962

• **AID TO FAMILIES WITH DEPENDENT CHILDREN (AFDC) CHILD CARE SERVICES** first provided by county welfare departments for welfare parents in work and training programs, due to the

availability of new federal matching funds through Title IV-A of the Social Security Act. Since federal law required Title IV-A funding to go to the state agency responsible for Social Security programs, these child care services were administered by the California Department of Social Welfare. *1962 Budget Act, SBXX 1, Chapter 2X-1*

1963

• **COMPENSATORY EDUCATION PILOT PROJECTS** established, including preschool programs. Designed as preventive programs for children from disadvantaged backgrounds. *McAteer Act, SB 115, Chapter 98*

• **COUNTY SUPERINTENDENTS OF SCHOOLS** authorized to establish state child care centers to provide services to farmworkers during spring and summer harvest seasons. *AB 843, Chapter 841*

1965

• **'CHILDREN'S CENTERS'** became the new name for state child care centers. State law expanded the concept of child care to include educational and social services. *AB 1281, Chapter 1717*

• **STATE PRESCHOOL PROGRAM** established to provide educational experience to low-income disadvantaged children, including children from non-English speaking families. It was modeled after the federal Head Start program, which was established the same year. Programs received federal Title IV-A matching funds. *AB 1331, Chapter 1248*

• **GOVERNOR'S ADVISORY COMMITTEE ON PRESCHOOL EDUCATION PROGRAMS** established. Over the years it took on different roles, with its name finally changed to the Child Development Policy Advisory Committee. *AB 1331, Chapter 1248*

• **OFFICE OF COMPENSATORY EDUCATION** established within the California Department of Education to coordinate all compensatory education programs, including the State Preschool Program. *SB 482, Chapter 1163*

1967

• **CHILDREN'S CENTERS** gave priority admission to AFDC-eligible families in order to become eligible for Title IV-A matching funds. An inter-agency agreement was needed to transfer the Title IV-A funds from the California Department of Social Welfare to the California Department of Education, and counties were required to certify the income eligibility of children in centers - which proved to be administratively difficult. *AB 272, Chapter 1209*

1970

• **CALIFORNIA DEPARTMENT OF SOCIAL WELFARE** designated as the fiscal agency for all child care and preschool programs to allow for maximum federal reimbursements through Title IV-A. The Preschool Bureau of the California Department of Education continued to have administrative responsibility for children's centers and preschool programs. *AB 750, Chapter 1619*

1971

• **STATE UNIVERSITIES, COLLEGES, AND COMMUNITY COLLEGES** authorized to es-

establish child care centers to allow equal access to education for all parents. Campuses could establish children's centers or contract with a private agency. Funded through federal matching funds, private funds and parent fees. First state funding provided in 1973. *AB 734, Chapter 176*

• **COUNTY WELFARE DEPARTMENTS** mandated to provide child care to AFDC parents who needed it to accept a job or receive job training. State provided an additional \$3 million, for a total of \$18 million in federal-state-county funding. *California Welfare Reform Act, SB 796, Chapter 578*

1972

• **CALIFORNIA DEPARTMENT OF EDUCATION** designated as the single state agency responsible for all child care and preschool programs, plus responsibility for AFDC child care services previously provided by county welfare departments. Waiver sought to allow direct allocation of federal Title IV-A child care funds to the Department of Education. *Child Development Act, AB 99, Chapter 670*

• **CHILD DEVELOPMENT ACT** passed, consolidating all child care and preschool programs under one comprehensive program. The purposes of child development programs were defined as (1) to help prepare children for later school success and (2) to allow parents to work or attain an education. New priorities established, giving first priority to children at risk of abuse, followed by families with lowest incomes. Demonstration projects authorized to provide state-subsidized child care through family child care homes serving as satellites to school-based centers. *AB 99, Chapter 670*

• **AFDC/WIN CHILD CARE SERVICES** established to serve AFDC parents in the Work Incentive (WIN) Program. State contributed \$3 million. *AB 282, Chapter 1177*

1973

• **AUTHORITY TO SUBCONTRACT** child development services to other public agencies, nonprofit organizations or private child care agencies granted to school districts. *AB 451, Chapter 1005*

• **MAXIMUM REIMBURSEMENT RATE** established for contractors to provide child development services. *AB 1244, Chapter 1191*

• **SANTA CLARA PILOT STUDY** on information and referral services and vendor-voucher payment systems established at \$3 million for two years. *AB 1244, Chapter 1191*

• **AFDC CHILD CARE SERVICES** lost \$9.4 million in federal funding due to changes in federal eligibility standards. The state replaced this amount. *AB 1244, Chapter 1191*

• **STATE PRESCHOOL PROGRAM** lost \$23 million in federal funding. The state replaced \$19.8 million. *AB 451, Chapter 1005*

• **THE CHILD DEVELOPMENT UNIT** was established in the California Department of Education with oversight of all child care and development programs.

• **CALIFORNIA DEPARTMENT OF HEALTH** given responsibility for licensing all community care facilities (including child care). The California Department of Education had an interagency agreement for a number of years that allowed them to license their contractors. Family child care homes accredited by school districts were exempted. Licensing was returned to the California Department of Social Services in 1978. *Community Care Facilities Act, AB 2262, Chapter 1203*

1974

• **SCHOOL-AGE PARENTING AND INFANT DEVELOPMENT (SAPID) PROGRAM** established

to provide infant care, parenting education and counseling to teen parents. Funded at \$600,000 annually. *SB 1860, Chapter 1504*

• **MIGRANT CENTERS** expanded by \$200,000 annually to establish new centers, including the first infant center. *AB 4134, Chapter 1533*

• **SPECIAL EDUCATION SERVICES** mandated for all severely handicapped children over age 3, with an option of enrolling children between 18 months and 3 years. Services were provided through development centers and phased in over four years. *SB 1782, Chapter 1012*

1975

• **CAMPUS PROGRAMS** expanded by \$400,000 annually. *AB 229, Chapter 1012*

1976

• **INITIAL STATE 'BUY-OUT' OF FEDERAL TITLE XX** child care funds. (Title XX had replaced Title IV-A as the funding source for AFDC-related social services, including child care.) The state replaced \$15 million of the \$47 million of Title XX funds that were spent on child care with state funding. This allowed the state to operate some of its child care centers according to state Title 5 regulations instead of the Federal Interagency Day Care Regulations (FIDCR), which required a higher staff-child ratio. About half of the child care agencies that previously received Title XX funds became entirely state-funded. *Budget Act of 1976, SB 1410, Chapter 320*

• **RESOURCE AND REFERRAL AND ALTERNATIVE PAYMENT PROGRAMS** established as part of a state experiment with alternative child care services. The goals of the alternative programs were to maximize parental choice and provide more child care at less cost to the state. Options included modifying current programs by adopting more lenient staff-child ratios or the use of differentiated pay scales for staff and vendor vouchers for child care services provided by non-state contractors (alternative payment programs). Resource and referral and alternative payment programs later became permanent. Funded at \$13 million on an annual basis. *AB 3059, Chapter 344*

• **CAMPUS PROGRAMS** expanded by \$200,000 annually. *AB 3790, Chapter 986*

1977

• **STATE CHILD CARE TAX CREDIT** established as a percentage of the federal child care tax credit. The credit was eliminated in 1992. *AB 302, Chapter 1079*

• **ALTERNATIVE CHILD CARE PROGRAMS** and other targeted programs expanded by \$6.2 million annually. Targeted programs included migrant, rural and infant care programs. *AB 1288, Chapter 1246*

• **AVERAGE DAILY ENROLLMENT (ADE)** replaced hourly reimbursement rate. *AB 1288, Chapter 1246*

1978

• **PROPOSITION 13** passed by voters, prohibiting counties and school districts from levying property taxes in excess of 1% without 2/3 voter approval. Some school district children's centers, adult education preschool programs and campus child development programs lost funding because the previously existing taxes were eliminated. The state intervened and earmarked state funds for children's centers and adult education preschool programs to make up for funding lost due to the passage of Proposition 13. Centers were required to develop plans to lower their costs. *Tax Limitation Initiative Constitutional Amendment, SB 2212,*

Chapter 332; AB 8, Chapter 282

• **COMMUNITY COLLEGE CHILD CARE PROGRAMS** that had not been supported by local tax levies in 1977-78 were no longer required to provide a funding match. Beginning in 1980, \$3.5 million in state funding was provided to community college programs annually to replace support that was received through tax levies prior to Proposition 13. *SB 154, Chapter 292*

• **CHILD DEVELOPMENT PROGRAM FUNDING** increased by \$20.7 million in federal and state funds. Over half the funds went to replace local child care funding lost due to Proposition 13. The remainder went to expand rural alternative payment programs, campus programs, migrant care, and resource and referral services. *1978 Budget Act, AB 2190, Chapter 359*

1979

• **CHILDREN'S CENTERS** expanded by \$37 million in state funds to permanently replace support that was received through tax levies prior to Proposition 13. *1979 Budget Act, SB 190, Chapter 259*

• **CHILD DEVELOPMENT PROGRAMS** received an expansion of \$4.5 million. *1979 Budget Act, SB 190, Chapter 259*

• **INTERGENERATIONAL CHILD CARE PILOT PROJECT** established for three years to experiment with elderly aides in child care programs. The pilot project was not extended. *AB 1496, Chapter 974*

• **FAMILY CHILD CARE PILOT REGISTRATION PROGRAM** established to determine whether a simplified procedure would improve and expand the availability of family child care homes. This program was eventually phased out. *AB 1368, Chapter 1063*

1980

• **CHILD CARE AND DEVELOPMENT SERVICES ACT** passed, replacing the Child Development Act of 1972. This act integrated alternative child care programs into state child development programs and expanded funding by \$12 million with priority given to infant care, teen parents, rural child care, services to children with special needs, and resource and referral services. It also established a standard reimbursement rate and sought to equalize contracts by providing a differential cost-of-living adjustment (COLA) based on whether a contracting agency was above or below the standard rate. A capital outlay account was also established for child care facilities with \$4 million from state revenues received from lease payments for oil drilling on public lands. *Child Care and Development Services Act, SB 863, Chapter 798; AB 2973, Chapter 899*

• **NEW OR RENOVATED STATE BUILDINGS** required to provide space for child care, when employee need is demonstrated. *SB 764, Chapter 913*

1981

• **FINAL STATE 'BUY-OUT' OF TITLE XX** child care funds, which had grown to \$52 million. The replacement of all Title XX child care funds with state funding allowed state child care programs to operate under the lower staff-child ratios required by Title 5 regulations, rather than FIDCR, and protected child care from President Reagan's proposed cuts in Title XX funds. *1981 Budget Act, SB 110, Chapter 99*

• **EMPLOYER INCOME TAX DEDUCTIONS** authorized for contributions to employee child care through salary reduction plans, also known as 'dependent care assistance plans' (DCAP). *AB 131, Chapter 1130*

• **FAMILY CHILD CARE LICENSING** eliminated, then partially restored, dropping from \$8.8 million to \$4.1 million. Further restored to \$7.4 million two years later. *AB 251, Chapter 102; AB 1670, Chapter 1162*

1982

• **COOPERATIVE AGENCIES RESOURCES FOR EDUCATION (CARE)** established to provide child care and support services to AFDC parents attending community colleges. *AB 3103, Chapter 1029*

1983

• **CHILD CARE EMPLOYMENT FUND** established, using \$6 million in one-time-only federal funds, to provide child care to parents participating in the federal Job Partnership Training Act. Funding to be matched by private industry councils. *AB 1162, Chapter 1282*

1984

• **CHILD DEVELOPMENT DIVISION** established in the California Department of Education, replacing the Child Development Unit and having jurisdiction over all child care and development programs.

• **RESOURCE AND REFERRAL AGENCIES** expanded by \$1.5 million annually to ensure that all counties have at least one. *AB 3138, Chapter 1603*

• **RATE INCREASES** provided to child care and preschool programs below the standard reimbursement rate, an increase of \$3 million. *SB 1674, Chapter 1604*

• **RESPITE CHILD CARE** established for families in short-term crisis situations, with \$1 million in annual funding. *SB 1674, Chapter 1604*

• **MAINSTREAM CHILD CARE PROGRAMS** for children with exceptional needs established, with \$400,000 in annual funding. *SB 1674, Chapter 1604*

• **CHRONICALLY AND TERMINALLY ILL PILOT CHILD CARE CENTER** established. *AB 3005, Chapter 1473*

• **CHILD CARE OMBUDSMAN PROGRAM** established within the California Department of Social Services to facilitate communication between parents, child care providers, the Community Care Licensing Division and other state agencies. *SB 1754, Chapter 1615*

• **CHILD CARE LICENSING** separated from other community care licensing operations within the California Department of Social Services intended to improve response to licensing situations unique to children in child care facilities. *SB 1754, Chapter 1615*

• **STATE EMPLOYEES CHILD CARE REVOLVING LOAN FUND** established at \$1 million to provide assistance with child care program start-up costs. *SB 1139, Chapter 676*

1985

• **SCHOOL-AGE 'LATCHKEY' COMMUNITY CHILD CARE PROGRAM** established to provide before- and after-school care to children in grades K through 9. Funded at \$16 million annually. *SB 303, Chapter 1026*

• **GAIN JOB SERVICES AND WORKFARE PROGRAM** established, mandating the participation of all AFDC parents with children age 6 and over. County welfare departments required to provide subsidized child care services for AFDC parents participating in the program. Funding administered through county welfare departments based on their estimate of need. Child care may be provided by relatives and neighbors, as well as licensed child care providers. GAIN (Greater Avenues for Independence) parents who find jobs that permit them to terminate aid must be

provided three months of Transitional Child Care benefits. *AB 2580, Chapter 1025*

• **CHILD CARE CAPITAL OUTLAY FUNDS** provided through federal funds received through oil leases for drilling on the outer continental shelf. One-time-only funds of \$36.5 million were provided for school-age facilities and \$7.25 million for preschool-age facilities. *AB 1024, Chapter 1440*

• **ALTERNATIVE PAYMENT PROGRAM** expanded by \$6 million. *AB 55, Chapter 1364; AB 2175, Chapter 1299; 1985 Budget Act, SB 150, Chapter 111*

• **SAPID PROGRAM** expanded by \$1.6 million. *SB 150, Chapter 111*

• **ADOLESCENT FAMILY LIFE PROGRAM** established to provide caseworkers for teen parents. Caseworkers coordinate the provision of public services for parenting teens, including welfare benefits, perinatal services and child care. Funded at \$5 million. *SB 150, Chapter 111*

• **CALIFORNIA CHILD CARE INITIATIVE PROJECT** established. California joined with the BankAmerica Foundation in a partnership to increase the supply of child care by recruiting and training family child care providers. *AB 2175, Chapter 1299*

• **LIABILITY INSURANCE CRISIS.** Market assistance plan called 'Cal-Care' established for child care providers, operated on a voluntary basis by the insurance industry. Two years later California passed legislation authorizing the establishment of a mandatory Joint Underwriting Association for Child Care, which would have required insurers to offer policies at reasonable rates, but the State Insurance Commissioner determined it to be unnecessary. *AB 231, Chapter 821 (1987)*

1987

• **PRESCHOOLERS WITH MILDLY HANDICAPPING CONDITIONS** required by the federal *Amendments to the Education for the Handicapped Act* to receive early educational opportunities. Therapeutic services were to be provided in mainstream child care and preschool programs whenever possible. Services to be phased in over four years. *AB 2666, Chapter 311*

1988

• **EMPLOYER CHILD CARE TAX CREDIT** authorized on contributions to program start-up costs and on contributions to ongoing employee child care needs. *SB 722, Chapter 1239*

• **MELLO-ROOS COMMUNITY FACILITIES DISTRICTS** authorized for child care purposes, enabling local governments to ask voters to approve a special child care tax in business districts and other areas with a high demand for child care. *AB 2697, Chapter 534*

• **PROPOSITION 98** passed by voters to provide public education (kindergarten-14th grade) with a guaranteed minimum level of funding. There were differing interpretations of whether or not state-subsidized child development programs are included in the Proposition 98 guarantee and if so, whether it is limited to child development programs operated by school districts. *School Funding Initiative Constitutional Amendment and Statute*

• **AFDC CHILD CARE FUNDS** became available on a 50% matching basis with the passage of the federal *Family Support Act*, funded through Title IV-A of the Social Security Act. A new federal AFDC child care guarantee required California to provide child care to all AFDC parents participating in approved education and training programs. The state was also required to provide 12 months, rather than 3 months, of transitional child care to AFDC parents who find employment. In addition, the state's participation in the federal JOBS

program enabled the state to receive Title IV-A matching funds for all GAIN child care services but required parents with children ages 3 to 6 to participate in GAIN. *AB 2171, Chapter 77*

1989

• **COST-OF-LIVING ADJUSTMENT (COLA) AND ENROLLMENT GROWTH** guaranteed to all child development programs under Proposition 98, subject to passage of Proposition 111 in June 1990 that would raise the state's spending limit. *SB 98, Chapter 82; AB 198, Chapter 83; AB 1087, Chapter 92*

1990

• **PROPOSITION 111** approved by voters, entitling child development programs to annual COLAs and enrollment growth. *Traffic Congestion Relief and Spending Limitation Act of 1990, SCA 1, Chapter R-66 (1989)*

• **CTA V. HUFF** filed by the California Teachers Association (CTA) to exclude non-school district child development programs from Proposition 98 guarantees. A Sacramento Superior Court found in favor of the CTA. This decision was appealed by several statewide child development associations who were recognized as the 'real parties in interest.' *Superior Court of Sacramento County, 1990 No. 363630*

• **CHILD CARE AND DEVELOPMENT PROGRAMS** received enrollment growth of \$6 million. Non-school district programs are excluded from Proposition 98 guarantees to conform to lower court decision in *CTA v. Huff* and cut by \$4 million. The California Department of Education restored this cut with growth funding. *1990 Budget Act, SB 899, Chapter 467*

• **SCHOOL BONDS** approved by voters on the June and November ballots, setting aside up to \$520 million for special purposes, including the renovation of school-based child care facilities. *1990 School Facilities Bond Act (Proposition 123), SB 173, Chapter 24; School Facilities Bond Act of 1990 (Proposition 146), AB 236, Chapter 578*

• **RESOURCE AND REFERRAL PROGRAMS** expanded by \$900,000 to help with an increased demand for services. *AB 1428, Chapter 1331*

• **TRANSITIONAL CHILD CARE** conformed to the federal *Family Support Act*, limiting reimbursement to the 75th percentile of the regional market rate. *AB 1706, Chapter 35*

• **LOS ANGELES SPECIAL CARE RESPITE PILOT PROJECT** authorized until July 1, 1993, to serve children with special needs who do not qualify for other respite care available to the developmentally disabled. The pilot project was not extended. *AB 3552, Chapter 1394*

• **PUBLIC SCHOOL RESTRUCTURING DEMONSTRATION PROJECTS** established. Participating elementary schools were required to include a preschool program (subject to the availability of separate funding); participating high schools were allowed to include a school-age parenting and infant development program. School restructuring projects given first priority for any new state or federal funding for child care or preschool. Funded at \$6.8 million. *SB 1274, Chapter 1556*

• **STATE INFANT TAX CREDIT** established at \$1,000 for married couples in which only one parent worked, or single parents with no earned income, who had a child under 13 months. Credit was phased out for moderate-income families. The credit was allowed to expire in 1993. *SB 2208, Chapter 1347*

• **STATE CHILD CARE TAX CREDIT** reduced for families earning over \$40,000. *SB 2208, Chapter 1347*

• **SECRETARY OF CHILD DEVELOPMENT AND EDUCATION** established by Governor Wilson as a member of his cabinet. Funded at \$2 million annually. *SCR 81, Chapter R-130*

1991

• **CHILD CARE AND DEVELOPMENT PROGRAMS** received enrollment growth of \$8.6 million, but no COLA. *1991 Budget Act, AB 222, Chapter 118*

• **TEMPORARY ONE-YEAR 'BIFURCATION'** between school district and non-school district child development programs implemented, pending the appeal of *CTA v. Huff*. *AB 222, Chapter 118*

• **FEDERAL CHILD CARE AND DEVELOPMENT BLOCK GRANT (CCDBG)** implemented in California. The California Department of Education designated lead agency. Funding used to expand child care and development programs and establish a variety of quality improvement projects. Local child care and development planning councils were established to give counties the opportunity to set local priorities for spending federal block grant funds. *SB 500, Chapter 1190; AB 2141, Chapter 1187*

• **FEDERAL AT-RISK CHILD CARE PROGRAM** implemented in California. The California Department of Social Services designated lead agency with Title IV-A matching funds transferred to the Department of Education to expand child care and development services to families at risk of welfare dependency. Priority was given to former transitional child care recipients, former AFDC recipients, and teen parents who were employed. *SB 500, Chapter 1190*

• **INTERAGENCY AGREEMENT AND TRACKING SYSTEM** required between the California Department of Social Services and the California Department of Education to allow the state to collect federal Title IV-A child care reimbursements for AFDC recipients enrolled in Department of Education child development programs. California received its first reimbursements in 1993-94. *AB 2184, Chapter 1205*

• **AB 2184 TASK FORCE** established to develop a seamless system of delivering child care services in California. The delivery of child care services was consolidated in the Child Development Act in 1972, but had become fragmented again with the establishment of the GAIN child care program in 1985. There were now seven different delivery systems in California. *AB 2184, Chapter 1205*

• **STATE PRESCHOOL PROGRAM** expanded by \$44 million annually, giving first priority to 4-year-olds. *AB 1670, Chapter 758*

• **TRUSTLINE REGISTRY** established to provide background clearances on license-exempt child care providers. Trustline clearance required only for exempt providers receiving public funds through the state alternative payment program or federal Child Care and Development Block Grant. *AB 1379, Chapter 660*

• **CHILD DEVELOPMENT TEACHER LOAN ASSUMPTION PROGRAM** established to forgive student loans for child development teachers and supervisors who agreed to work in a child care center serving low-income families for two years. *SB 965, Chapter 826*

• **NEW OR MODERNIZED ELEMENTARY SCHOOLS** required to provide space to accommodate before- and after-school child care programs, consistent with local needs. *AB 595, Chapter 809*

• **PUBLIC TRANSIT FACILITIES** authorized to lease space for child care. *AB 1322, Chapter 417*

• **ADMINISTRATIVE SANCTIONS AGAINST INSURERS** authorized for arbitrary cancellation of or refusal to renew a family child care provider's

homeowner's policy. *AB 676, Chapter 784*

• **LOCAL INTERAGENCY CHILDREN'S COORDINATING COUNCILS** required to include members representing child care and preschool services. These councils were established by county boards of supervisors to develop a collaborative system of services for the health, safety, and well-being of children and youth. *SB 786, Chapter 994*

• **FAMILY CARE LEAVE** established, requiring employers with at least 50 employees to allow employees up to 4 months of unpaid leave (limited to one period of leave within two years) upon the birth, adoption or serious illness of a child. *AB 77, Chapter 462*

1992

• **CHILD CARE AND DEVELOPMENT PROGRAMS** grouped with all other categorical education programs for funding purposes in the state budget and received a cut of 2.2%. The cut to child development was partially offset by enrollment growth of \$2.25 million. *1992 Budget Act, AB 979, Chapter 587*

• **CTA V. HUFF** resolved by a decision of the California Third District Court of Appeals allowing non-school district child development programs to be included in Proposition 98's base funding guarantee for education. A further appeal to the California Supreme Court was denied. *5 California Appellate Reports 4th Series 1513*

• **NON-GAIN EDUCATION AND TRAINING (NET)** child care program established due to a court order in *Miller v. Carlson*. The case challenged the state's failure to pay for child care costs for AFDC recipients in approved education and training programs other than GAIN, as required by the AFDC child care guarantee in the federal *Family Support Act*. *768 Federal Supplement 1341*

• **CHILD CARE LICENSURE REFORMS** approved, pending the receipt of revenue from the sale of Kids' Plates (specialized automobile license plates containing a heart, star, handprint or plus sign). Reforms included annual inspections of family child care homes, annual spot-checks of 20% of child care centers and family child care homes, increased staffing for the Child Care Ombudsman Program as the Child Care Advocate Program, establishment of a separate Child Care Licensing Branch within the Community Care Licensing Division, and appointment of an independent monitor to evaluate licensing complaints and their resolution. Public agencies that provide child care were authorized to join with other public and private child care providers to set up a reserve fund for self-insurance of unemployment and liability claims. *AB 3087, Chapter 1316*

• **CHILD CARE LICENSING FEES** established. Fees set at \$25 a year for small family child care homes, \$50 a year for large family child care homes, and \$100 to \$500 a year for child care centers, depending on licensed capacity. *AB 396, Chapter 709; AB 2647, Chapter 1315*

• **CHILD ABUSE INDEX CHECK FEE** established at \$15. *SB 1184, Chapter 1338*

• **INTEGRATED EARLY PRIMARY PROGRAMS** authorized based on the *School Readiness Report*, allowing public schools to experiment with better articulation of preschool, kindergarten and grades 1 to 3. *AB 2333, Chapter 1082*

• **DECLARATION OF WORTHY WAGE DAY** on the first Thursday in April for the next five years in an effort to raise public awareness about the low wages and lack of benefits received by child care workers. *ACR 109, Chapter R-84*

• **15 HOURS OF PREVENTIVE HEALTH CARE TRAINING** required for child care providers in family child care homes and centers, beginning

Jan. 1, 1995. Training must include pediatric first aid and CPR. *AB 962, Chapter 35; AB 243, Chapter 246 (1994)*

1993

• **CHILD CARE AND DEVELOPMENT PROGRAMS** continued to be grouped with other categorical programs for funding purposes and received a cut of 1%. This cut was offset by enrollment growth of \$5.9 million. *1993 Budget Act, SB 80, Chapter 55*

• **CHILD CARE AND DEVELOPMENT BLOCK GRANT REGULATIONS** deprived 45 child care centers, 19 migrant programs, and 7 child care programs located in housing projects of federal funding. The state used one-time-only funds to continue funding for these programs. In 1994, these programs were incorporated into the state-funded child care system. *SB 80, Chapter 55*

• **CHILD CARE AND DEVELOPMENT SERVICES ACT** extended indefinitely, making child care and development ongoing programs of the state. *SB 382, Chapter 774*

• **TRUSTLINE REGISTRY** required for all license-exempt child care providers receiving public funds, beginning with the At-Risk Child Care Program. A fee system was also established to allow anyone, not just publicly subsidized caregivers, to be 'Trustlined.' *AB 2053, Chapter 898*

• **SUPPLEMENTAL CHILD CARE PAYMENT** added to the AFDC income disregard to reimburse working AFDC parents for child care costs up to the 75th percentile of the regional market rate. *SB 35, Chapter 69*

• **ALTERNATIVE ASSISTANCE PROGRAM** authorized to allow AFDC-eligible families to receive child care assistance and Medi-Cal benefits in lieu of a cash grant. *SB 35, Chapter 69*

• **CAL-LEARN PROGRAM** established to provide cash incentives or sanctions to teen parents based on school progress. Teen parents required to be provided with child care and case management services. *SB 35, Chapter 69*

• **LIMITS GAIN EXEMPTION** provided to AFDC parents with a child under 3 to one-time only. If additional children were born into the family, parents must continue to participate in GAIN to receive benefits. A four-month postpartum deferral may be granted. *SB 35, Chapter 69*

• **AB 2184 TRACKING PRIORITIES** established. First priority for expending new federal reimbursements given to participants in Non-GAIN Education and Training (NET) and the Alternative Assistance Program. *SB 1078, Chapter 1252*

• **CALIFORNIA EARLY START PROGRAM** established, requiring all infants and toddlers with developmental disabilities, delays or risk conditions to receive early intervention services through a coordinated statewide system. *SB 1085, Chapter 945*

• **FAMILY CARE LEAVE** conformed to the federal Family Care and Medical Leave Act, making it available for 12 weeks a year rather than four months every two years. *AB 1460, Chapter 827*

1994

• **CHILD CARE AND DEVELOPMENT PROGRAMS** grouped with other categorical programs and received no COLA or growth. A provision was added to allow transfers of funds (up to 10%) between categorical programs. *1994 Budget Act, SB 2120, Chapter 139*

• **NEWBORNS EXCLUDED** from eligibility for AFDC if the family received aid for 8 of the 10 months prior to the child's birth. *AB 473, Chapter 196*

• **TRANSITIONAL CHILD CARE** guaranteed for

AFDC parents who marry or are reunited with a separated spouse, regardless of increased assets or income. *AB 836, Chapter 148*

• **EMPLOYER CHILD CARE TAX CREDIT** extended through 1997. The credit for employee child care expenses reduced to 30% with a maximum credit of \$360. Employees' children must be under the age of 12 and payments must be made directly to providers. *AB 3144, Chapter 748*

• **RESERVE FUNDS** allowed to be established by child development contractors up to 2% of their contract. Contractors are allowed to keep earned but unspent funds. *AB 2981, Chapter 1171*

1995

• **COLA (2.73 PERCENT - SAME AS K-12) AND ENROLLMENT GROWTH FUNDING (1.3 PERCENT)** approved for Department of Education child care and development programs. Child care no longer grouped with other categorical programs for funding purposes. A \$20 million half-year expansion was also approved, half for the State Preschool program and half for general child care programs serving children ages 3 to 5 (additional funding in 1996 produced a \$40 million full-year expansion). *1995 Budget Act, AB 903, Chapter 303*

• **CALIFORNIA CHILD CARE INITIATIVE PROJECT** (established in 1985) extended until June 30, 2000. *AB 335, Chapter 298*

• **EXTENDED SCHOOL DAY GRANT PROGRAM** created to provide funding for programs operated by school districts, county offices of education, park and recreation agencies, private child care providers or nonprofit organizations. *AB 442, Chapter 775*

• **AFTER-SCHOOL VIOLENCE PREVENTION GRANT PROGRAM** created to fund the development and provision of after-school programs for sixth- to ninth-grade pupils. *AB 442, Chapter 775*

1996

• **CHILD CARE AND DEVELOPMENT PROGRAMS** received a 3.21% COLA (Same as K-12). Provided a \$10 million half-year expansion - 1/3 for State Preschool, 1/3 for general child care programs serving children ages 3 to 5, and 1/3 to school-age child care (\$20 million full-year). *1996 Budget Act, SB 1393, Chapter 162*

• **PREGNANT WOMEN** prohibited from receiving AFDC benefits during the first 6 months of pregnancy. Additional children conceived while parents are on AFDC do not increase the grant level. *SB 1393, Chapter 162*

• **FAMILY CHILD CARE PROVIDERS** required to notify landlords prior to opening a family child care home. Landlords may require an increased security deposit. *SB 1695, Chapter 449*

• **CHILD DEVELOPMENT PERMITS** established for workers in Title 5 child development centers. The permits provide a career ladder of 6 levels and require renewal every 5 years. *SB 1924, Chapter 1067*

• **FAMILY CHILD CARE** providers allowed to care for an additional 2 school-age children as long as a small family child care home have 2 or fewer infants and a large family child care home have 3 or fewer infants. *SB 265, Chapter 18*

1997

• **CHILD CARE AND DEVELOPMENT PROGRAMS** received a 2.65% COLA (Same as K-12). Provided \$25 million for purchase of child care facilities. Increased funding by \$13.1 million to provide for the impact of increases in the minimum wage. Provided a \$23 million half-year expansion for general child care programs serving children under age 3 (\$46 million full-year), a \$15 million half-year expansion for full-day preschool pro-

grams (\$30 million full-year), a \$10 million full-year expansion for the School Age Parent and Infant Development Program (SAPID), a \$5.7 million full-year expansion of Extended Day (Latchkey) Child Care, and a \$5 million full-year expansion of Migrant Child Care. Provided \$292.73 million for the new three-stage CalWORKs child care system, including \$7 million for facility loan funds. *1997 Budget Act, AB 107, Chapter 282*

• **CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CalWORKs)**, the State's new welfare system, established with time limits and work requirements to conform to federal welfare reform and the Temporary Assistance for Needy Families (TANF) program. CalWORKs Stages 1, 2, and 3 Child Care was established to provide ongoing child care for CalWORKs recipients as they enter the welfare system, access employment and other assistance and stop receiving cash aid. The new system replaced the previous AFDC child care programs. *AB 1542, Chapter 270*

• **CHILD CARE AND DEVELOPMENT FACILITIES LOAN GUARANTY FUND and CHILD CARE AND DEVELOPMENT FACILITIES DIRECT LOAN FUND** established to guarantee private sector loans and provide direct loans for the purchase and renovation of child care facilities. *AB 1542, Chapter 270*

• **SCHOOLAGE CHILD CARE PROGRAMS** with literacy and recreation components established at school sites as license-exempt programs. *AB 1542, Chapter 270; AB 326, Chapter 917*

• **CHILD CARE FACILITIES REVOLVING FUND** established to provide ongoing funding for new child care facilities. Eligibility was limited to California Department of Education contractors in good standing. The \$25 million in the budget for facilities was transferred into the fund. *AB 1578, Chapter 299*

• **INTEREST COSTS FOR FACILITIES FINANCING** allowed to be reimbursed through a child development contract. *AB 848, Chapter 247*

• **PARTICIPATION BY PARENTS** at their child's child care facility for up to 40 hours a year protected from discrimination or discharge from their employment. *AB 47, Chapter 157*

• **BLOOD GLUCOSE TESTING** assistance by providers allowed with specified protections. *AB 221, Chapter 550*

1998

• **CHILD CARE AND DEVELOPMENT PROGRAMS** received a 2.18% COLA (K-12 received a 3.95% COLA). Reappropriated \$23 million of unspent child care funds to the Child Care Facilities Revolving Fund. Provided \$6 million to account for the impact of increases in the minimum wage. Provided a \$15.7 million half-year expansion for State Preschool intended for 4-year-olds in families with incomes below the poverty line (\$31.4 million full-year), a \$10 million half-year expansion for general child care programs serving children under age 3 (\$20 million full-year), a \$5 million full-year expansion of Migrant Child Care for an alternative payment program network, a \$4 million expansion of resource and referral services, and \$20.1 million for quality improvement activities (including \$1 million for the development of the Prekindergarten Learning and Development Guidelines). The first full year of the three-stage CalWORKs child care system funded at \$911 million. Alternative Payment Programs funded through CalWORKs were limited to 20% of their contract for administration and family support services. *1998 Budget Act, AB 1656, Chapter 324*

• **AFTER SCHOOL LEARNING AND SAFE NEIGHBORHOODS PARTNERSHIPS PRO-**

GRAMS established for kindergarten-9th grade and repeals the Schoolage Literacy Child Care Programs established in 1997. The new programs must be a partnership between schools and community organizations and are license-exempt. The programs were funded at \$50 million for 1998-99. Requires a 50% local match. *AB 1428, Chapter 319; AB 2284, Chapter 318; SB 1756, Chapter 320*

• **SCHOOLAGE PARENT AND INFANT DEVELOPMENT (SAPID), PREGNANT AND LACTATING STUDENTS (PALS), AND PREGNANT MINORS PROGRAMS (PMP)** consolidated into the new California School Age Families Education program (Cal-SAFE). The new program provides comprehensive support services to pregnant and parenting teens, including child care for children up to age 5. *SB 1064, Chapter 1078*

• **EMPLOYER'S CHILD CARE TAX CREDIT** extended through 2002. *AB 2798, Chapter 323*

• **INHALED MEDICATION** may be administered by child care workers with specified protections. *SB 1663, Chapter 625*

• **PROPOSITION 10** approved by voters in November increasing the tax on tobacco products (50¢/pack on cigarettes and the equivalent of \$1/pack on other tobacco products) and providing funding for various early childhood programs. It established the statewide California Children and Families Commission and a Commission in each county to implement its provisions (now First 5 California). *State and County Early Childhood Development Programs and Additional Tobacco Surtax Initiative Constitutional Amendment and Statute*

1999

• **CHILD CARE AND DEVELOPMENT PROGRAMS** received a 1.41% COLA (Same as K-12). Reappropriated \$45 million of unspent child care funds to the Child Care Facilities Revolving Fund. Provided a \$23 million half-year expansion of State Preschool (\$46 million full-year) and a \$17.5 million full-year expansion of alternative payment programs. After School Learning and Safe Neighborhoods Partnerships programs increased by \$35 million. The Governor vetoed \$50 million from CalWORKs Stage 3, causing families to be transferred from Stage 3 to Stage 2 and Stage 2 to Stage 1. The Department of Education estimated that there would not be enough funding for Stage 3 to serve all families needing care. *1999 Budget Act, SB 160, Chapter 50*

• **VOLUNTEERS** that work a limited amount of time per week and are never alone with children were exempted from the criminal background check requirement. *AB 1659, Chapter 881*

• **FINGERPRINTING FEES** were waived for volunteers that worked at child care centers through June of 2000. The fee exemption was extended for several years until it was suspended in 2003. *SB 618, Chapter 934*

• **COMMITTEE TO DEVELOP A MASTER PLAN FOR EDUCATION** established. The committee met for two years convening stakeholders and soliciting public input before adopting a final California Master Plan for Education in August of 2002 (includes prekindergarten through university education). *SCR 29, Chapter R-43*

2000

• **CalWORKs STAGE 3 CHILD CARE** allocated \$6.7 million by the Governor with consent of the Assembly and Senate Appropriations and Budget Committees to cover the expected deficit. The Governor also committed to fund any further shortfall in Stage 3 during the remainder of the budget year. *SB 160, Chapter 50 (1999)*

• **CHILD CARE AND DEVELOPMENT PROGRAMS**

received a 3.17% COLA (Same as K-12). Provided a \$40 million half-year expansion of General Child Care programs serving children ages 0-5 (\$80 million full-year), a \$23.8 million half-year expansion of State Preschool (\$47.6 million full-year), and a \$3 million half-year expansion of migrant child care (\$6 million full-year). Reappropriated \$55.2 million of unspent child care funds for the Child Care Facilities Revolving Fund. Increased funding for quality improvement activities, including \$6 million to bring playgrounds at child care facilities into compliance with regulations, and \$5 million for accreditation of child care centers. Reappropriated \$10 million of unspent child care funds for a CalWORKs Center-Based Pilot to convert CalWORKs child care services from alternative payment programs to child care centers. Child care facilities direct loan fund increased by \$16 million and funding transfers between the direct loan fund and the loan guaranty fund allowed. *The 2000 Budget Act, AB 1740, Chapter 52*

• **STATE-SUBSIDIZED CENTER-BASED AND STATE PRESCHOOL PROGRAMS** received \$33 million to make up for previous years in which they received no COLA. *AB 1740, Chapter 52*

• **ENTRANCE AGENT TO KINDERGARTEN** changed on a voluntary pilot basis from December 2 to September 1 (date by which a child must be 5). Participating school districts must provide kindergarten readiness programs to all students pre-enrolled for kindergarten and may provide them to other children expected to enter kindergarten in the following year. Subsequent budgets have delayed implementation of the pilot program on a yearly basis. Implementation is currently scheduled for 2006-07. *AB 25, Chapter 1022*

• **RETENTION PROGRAMS** established for child care workers in state-subsidized child care centers administered by local child care and development planning councils, subject to guidelines developed by the California Department of Education (CDE). Annual funding of \$15 million was included in the budget for these programs, to be distributed based on the percentage of funding for state-subsidized centers received in the county. *AB 212, Chapter 547*

• **NEW STATE CHILD CARE TAX CREDIT** established as a percentage of the federal credit. The California credit allows taxpayers that don't owe enough in taxes to receive the tax credit as a refund. *AB 480, Chapter 114*

• **PREKINDERGARTEN LITERACY TRAINING** for teachers in state-subsidized child care programs established as part of the Reading Professional Development Institutes (Early Steps to Reading Success). *AB 2881, Chapter 77*

• **FACILITY IMPROVEMENTS AND INSTRUCTIONAL MATERIALS** funded at \$42 million to increase access to child care for children with special needs and expand state-subsidized programs. *SB 1703, Chapter 704*

2001

• **CHILD CARE AND DEVELOPMENT PROGRAMS** received a 3.87% COLA (same as K-12). Provided \$5.4 million to account for the impact of increases in the minimum wage. Reappropriated \$15 million of unspent child care funds for the Child Care Facilities Revolving Fund. Increased Cal-SAFE by \$2.3 million. Increased the After-School Learning and Safe Neighborhoods Partnership Program by \$29.7 million. The Child Care and Development Facilities Direct Loan Fund was reduced by \$11 million. *The 2001 Budget Act, SB 739, Chapter 106*

• **EMPLOYER'S CHILD CARE TAX CREDIT** extended through 2006. *AB 866, Chapter 650*

2002

• **CHILD CARE AND DEVELOPMENT PROGRAMS** received a 2.0% COLA (same as K-12). All Alternative Payment Programs were limited to 20% of their contract for administration and family support services. Increased the After School Learning and Safe Neighborhoods Partnership Program by \$4 million. Reduced Cal-SAFE funding by \$34.3 million. Funding for the California Professional Development Institutes (including Early Steps for Reading Success) was eliminated. *The 2002 Budget Act, AB 425, Chapter 379*

• **A BUDGET DEFICIT OF \$23.6 BILLION** prompted the state to recapture uncommitted funds in Cal-SAFE (\$63.1 million), the Child Care and Facilities Revolving Fund (\$42 million), the After School Learning and Safe Neighborhoods Partnership Program (\$22.2 million), child care and development programs (\$20 million), the CalWORKs Center-Based Pilot Project (\$10 million), and the Child Care and Development Facilities Loan Guaranty Fund (\$2.7 million). *SBXXX 1, Chapter 3X-1, AB 3008, Chapter 99, AB 425, Chapter 379, AB 2785, Chapter 444*

• **THE 21ST CENTURY COMMUNITY LEARNING CENTERS PROGRAM** established as a state program to administer federal funding of \$40.9 million. *AB 425, Chapter 379, AB 1984, Chapter 1025, SB 1478, Chapter 1036*

• **LICENSING INSPECTIONS FOR SCHOOL-AGE CHILD CARE CENTERS** required every 3 years instead of annually. *AB 444, Chapter 1022*

• **SIX WEEKS OF PAID FAMILY LEAVE** established for all California employees beginning July 1, 2004. *SB 1661, Chapter 901*

• **PROPOSITION 49** approved by voters in November, requiring state funding of \$550 million for after school programs once non-Proposition 98 expenditures increase by \$1.5 billion. *Before and After School Programs State Grants Initiative Statute*

2003

• **CHILD CARE AND DEVELOPMENT PROGRAMS** received no COLA (same as K-12). Lowered the Regional Market Rate (RMR) ceiling to cover the full cost of 85% of providers in a region (from about 93% of providers) and clarified the use of split and special rates under the RMR, which reduced payments to providers by an estimated \$82 million. Reduced administrative funding for Alternative Payment Programs by \$12 million (about 1%), eliminated services to 13-year-olds (\$16 million), eliminated services to grandfathered families with incomes above 75% of the state median (\$7 million), reduced State Preschool funding by \$10 million (one-time), and reduced quality improvement funding by \$5 million. Federal funding for 21st Century Community Learning Centers increased by \$34.7 million. *The 2003 Budget Act, AB 1765, Chapter 157*

• **A BUDGET DEFICIT OF \$38.2 BILLION** prompted the state to recapture uncommitted funds from the Child Care and Facilities Revolving Fund (\$28 million), unspent prior year funds for child care and development programs (\$162.2 million) and after school programs (\$31.1 million). *SBX 18, Chapter 1X-4, SBX 28, Chapter 1X-10, AB 1765, Chapter 157*

• **CHILD DEVELOPMENT POLICY ADVISORY COMMITTEE** funding vetoed from the budget and ceased operation. *AB 1765, Chapter 157*

• **CHILD CARE LICENSING** inspections reduced so that only child care facilities on probation are visited annually. Established random visits to 10% of remaining facilities and requires all facilities to be visited at least once within a 5 year period. Licensing fees for family child care homes (from

\$25 to \$50 for small homes and \$50 to \$100 for large homes) and child care centers (range of \$100-\$500 increased to \$200-\$1000) are doubled and the cap on fees for agencies that operate more than one center is eliminated. *AB 1752, Chapter 225*

• **SAN MATEO PILOT PROJECT** established to allow the county to make changes to eligibility, family fees, reimbursement rates and methods of maximizing the efficient use of subsidy funds for subsidized child care funding distributed within the county. Child care programs in the county are given the option of whether or not to participate in the pilot. *AB 1326, Chapter 691*

2004

• **CHILD CARE AND DEVELOPMENT PROGRAMS** received a 2.41% COLA (same as K-12) and 1.37% growth. After School Education and Safety Programs and 21st Century Community Learning Centers established as the preferred placement for 11- and 12-year olds and reduced funding by \$36.2 million. Alternative Payment Programs limited to 19% of their contract for administration and family support services. Eligibility for child care based on a referral of being at-risk of abuse limited to 3 months unless county welfare agencies certify continuing need, in which case children are eligible for up to 12 months. Federal funding for 21st Century Community Learning Centers increased by \$87.2 million. *The 2004 Budget Act, SB 1113, Chapter 208; SB 1104, Chapter 229*

• **FEDERAL FOSTER CARE** funding can be matched by counties to subsidize child care and development programs for foster children. *SB 1612, Chapter 845*

2005

• **CHILD CARE AND DEVELOPMENT PROGRAMS** received a 4.23% COLA (same as K-12) and 2.42% growth. Restored \$36.2 million funding reduction for 11- and 12-year-olds. Federal funding for 21st Century Community Learning Centers increased by \$18.2 million. *The 2005 Budget Act, SB 77, Chapter 38*

• **SAN FRANCISCO PILOT PROJECT** established based on the 2003 San Mateo pilot. *SB 701, Chapter 725*

• **QUALITY GRANTS** of \$5 million provided to increase the capacity of child care providers to serve children with disabilities. *SB 640, Chapter 379*

• **21ST CENTURY COMMUNITY LEARNING CENTERS** reimbursement increased from \$5/pupil/day to \$7.50/pupil/day and other provisions to increase funding flexibility. *SB 63, Chapter 73; SB 854, Chapter 555*

FEDERAL LEGISLATION

1912

• **CHILDREN'S BUREAU** established in the U.S. Department of Commerce and Labor. Licensing standards were established for children's institutions. *Act of April 9, 1912, Chapter 73*

1930s

• **CALIFORNIA NURSERY SCHOOL PROJECTS** funded through the Works Progress Administration during the Depression. *Emergency Relief Appropriation Act of 1935, Chapter 48, 49 Statutes 115*

1942

• **LANHAM CHILD CARE PROGRAM** established. Funding provided to the states to pay for child care services for mothers needed in wartime industry during World War II. Federal funding

ceased in 1946, but California continued to fund its own program. *Lanham Public War Housing Act, Public Law (P.L.) 76-849 (1940)*

1962

• **AFDC CHILD CARE SERVICES** funded under Title IV-A of the Social Security Act to enable parents receiving Aid to Families with Dependent Children (AFDC) to participate in work and training programs. State funding match of 25% required. *Public Welfare Amendments of 1962, P.L. 87-543*

1964

• **HEAD START** established to provide a pre-kindergarten educational experience to children in poor families as part of the Economic Opportunity Act. The act also provided grants to community action agencies for anti-poverty projects, including child care services. *Economic Opportunity Act of 1964, P.L. 88-452*

1965

• **COMPENSATORY PRESCHOOL PROGRAMS** established as part of a nationwide plan to provide compensatory education to disadvantaged children. *Elementary and Secondary Education Act of 1965, P.L. 89-10*

1967

• **WORK INCENTIVE (WIN) PROGRAM CHILD CARE SERVICES** established under Title IV-A of the Social Security Act to enable AFDC parents to participate in the WIN Program. State funding match of 25% required. *Social Security Amendments of 1967, P.L. 90-248*

1968

• **FEDERAL INTERAGENCY DAY CARE REGULATIONS (FIDCR)** issued, specifying staffing ratios and other requirements for child care programs receiving federal funds. *34 Federal Register 1390, January 29, 1969, Economic Opportunity Amendments of 1967, P.L. 90-222*

• **CHILD CARE FOOD PROGRAM** established as a component of the new Special Food Service Program for Children to reimburse child care centers for meals provided to children. *National School Lunch and Child Nutrition Act of 1968, P.L. 90-302*

1970

• **WHITE HOUSE CONFERENCE ON CHILDREN** held to discuss comprehensive child care as part of the incoming Nixon administration's sweeping welfare reform plan.

1971

• **THE COMPREHENSIVE CHILD DEVELOPMENT ACT** is vetoed by President Nixon. In addition to providing comprehensive child care services to poor children free of charge, the act would have made these services available to middle-income families on a graduated fee basis. *S. 2007*

1974

• **TITLE XX** added to the Social Security Act, revising requirements for AFDC social services previously provided under Title IV-A, including child care. Eligibility was expanded to include low-income families not receiving AFDC. States were given broad discretion to fund an array of social services. State match of 25% required. *Social Services Amendments of 1974, P.L. 93-647*

1975

• **AFDC CHILD CARE INCOME DISREGARD** defined as a work expense to allow AFDC parents

to deduct child care expenses from their earned income when calculating the amount of their monthly grant. *34 FR 1394, January 29, 1969, Social Security Act, Chapter 531, 49 Statutes 620 (1935)*

• **FIDCR** proposed revisions to include staffing ratios for children under 3 years of age, then suspended when it was discovered that more than half of the child care provided under Title XX wasn't meeting the original FIDCR requirements. *P.L. 94-120*

• **CHILD CARE FOOD PROGRAM** established as a separate program and expanded to include family child care providers. *National School Lunch and Child Nutrition Act Amendments of 1975, P.L. 94-105*

1976

• **TITLE XX** funds increased for child care purposes, in part to allow child care centers to meet the requirements of the FIDCR. California received an increase of \$24 million but spent it on social services other than child care since it already met its requirements for funding child care services. California began to replace Title XX child care funds with state funds, with no Title XX funds being used for child care by 1981. This allowed Title XX funds to be used for other important social services while shielding child care from cuts to Title XX and permitting programs only receiving state funds to meet state standards rather than the FIDCR. *1977 Departments of Labor and Health, Education, and Welfare Appropriations Act, P.L. 94-439*

• **FEDERAL CHILD CARE TAX CREDIT** established to reimburse working families for out-of-pocket child care expenses of up to \$2,000 for one child, or \$4,000 for two or more children. *Tax Reform Act of 1976, P.L. 94-455*

1978

• **TITLE XX** funds increased again for child care purposes. California received an increase of \$20 million, but only used \$12.2 million to expand child care services. *1979 Departments of Labor and Health, Education, and Welfare Appropriations Act, P.L. 95-480*

1980

• **NEW FIDCR** adopted to ease staffing ratios. The new regulations were never implemented and the federal government stopped regulating child care standards when it created the Social Services Block Grant in 1981. *45 Federal Register 17881, March 19, 1980, P.L. 97-35 (1981)*

1981

• **NINE BLOCK GRANTS** established, restructuring federal funding of health and human services. Title XX became the Social Services Block Grant and was reduced by 23%. The state match requirement was eliminated. California completed replacing Title XX child care funds with state funding. The Community Services Administration was abolished but funding for community action agencies, some of which provided child care, was continued through the establishment of the Community Services Block Grant. *Omnibus Budget Reconciliation Act of 1981, P.L. 97-35*

• **CHILD CARE FOOD PROGRAM** cut by 30%, reducing meal reimbursements. *P.L. 97-35*

• **AFDC CHILD CARE INCOME DISREGARD** capped at \$160 per month per child. *P.L. 97-35*

• **FEDERAL CHILD CARE TAX CREDIT** increased to \$2,400 for one child, \$4,800 for two or more, and sliding scale adopted. *Economic Recovery Tax Act of 1981, P.L. 97-34*

1986

• **HANDICAPPED PRESCHOOL PROGRAM**

established. States required to provide early education to all preschoolers with mildly handicapping conditions within five years or lose all special education funding for the age group. Therapeutic services were to be provided in mainstream settings, whenever possible. *Education of the Handicapped Act Amendments of 1986, P.L. 99-457*

• **EARLY INTERVENTION PROGRAM** established. States provided incentives to set up comprehensive systems for identifying and serving infants and toddlers with disabilities, delays, or risk conditions. *P.L. 99-457*

1988

• **NEW AFDC CHILD CARE GUARANTEE** established under Title IV-A of the Social Security Act. States required to guarantee child care for all AFDC parents who were working or participating in education and training programs, beginning October 1990. Title IV-A funds were also made available to states for child care services provided to AFDC parents participating in the new federal Job Opportunity and Basic Skills (JOBS) program. State match of 50% required. *Family Support Act of 1988, P.L. 100-485*

• **TRANSITIONAL CHILD CARE PROGRAM** established under Title IV-A of the Social Security Act. States required to provide 12 months of transitional child care to all AFDC parents who terminate aid due to employment, beginning April 1990. State match of 50% required. *P.L. 100-485*

1990

• **CHILD CARE AND DEVELOPMENT BLOCK GRANT** established to improve the quality, affordability, and accessibility of child care for low-income families. States required to use 75% of their block grant for subsidies to families and 25% for early childhood development, school-age child care programs and quality improvement projects. Eligibility was limited to families with incomes up to 75% of the state median income. Initially funded at \$730 million, California's share was \$76 million the first year. No state match required. *Omnibus Budget Reconciliation Act of 1990, P.L. 101-508*

• **AT-RISK CHILD CARE PROGRAM** established under Title IV-A of the Social Security Act to provide child care to families at risk of welfare dependency. Funded at \$300 million annually for five years with a state match of 50% required. California's share was \$37 million. Another \$50 million was authorized, but not funded, for child care licensing improvements. *P.L. 101-508*

• **EARNED INCOME TAX CREDIT (EITC)** expanded for working families with children. A young child supplement and a health care supplement were also established, but eliminated in 1994 to fund greater expansion of the basic EITC. *P.L. 101-508*

• **HEAD START** reauthorized at levels intended to serve all eligible 3- and 4-year-olds within four years, increasing Head Start funding from \$1.6 billion in 1990 to an authorized \$7.6 billion in 1994. Reauthorization required 25% of new funds to be used for quality improvements, half of which must be spent on increased salaries. *Human Services Reauthorization Act of 1990, P.L. 101-501*

• **AMERICANS WITH DISABILITIES ACT** passed to ensure all individuals with disabilities have reasonable access to public accommodations, including child care facilities, beginning January 26, 1992. *Americans with Disabilities Act of 1990, P.L. 101-336*

1991

• **INFANTS AND TODDLERS WITH DEVELOPMENTAL DISABILITIES** or at-risk of substantial

developmental delays made eligible for intervention services and activities. *Individuals with Disabilities Education Act of 1991, P.L. 102-119*

1993

• **FAMILY AND MEDICAL LEAVE ACT** passed, giving employees of businesses with 50 or more employees the right to take unpaid leave upon the birth or adoption of a child or serious illness of a family member. Employees were entitled to up to 12 weeks a year. *Family and Medical Leave Act of 1993, P.L. 103-3*

• **FAMILY PRESERVATION AND SUPPORT ACT** passed to help states prevent child abuse and reduce juvenile delinquency. Funds time-limited family preservation services to families in crises and ongoing family support services through county programs. *Omnibus Budget Reconciliation Act of 1993, P.L. 103-66*

1994

• **HEAD START** reauthorized with program modifications designed to ensure the provision of quality care. Created a new 3-5% set-aside for an infant-toddler initiative (later called Early Head Start). Head Start funding was increased to \$3.3 billion. *Human Services Amendments of 1994, P.L. 103-252*

• **21st CENTURY COMMUNITY LEARNING CENTERS PROGRAM** established to provide grants to local school districts for after school programs. Programs involve collaborations with community partners and offer students educational and recreational activities at school sites. *Improving America's Schools Act, P.L. 103-382*

1996

• **WELFARE REFORM** passed, establishing block grants to the states under the Temporary Assistance for Needy Families (TANF) program and ending the entitlement status of AFDC. Excluded most new immigrants from eligibility. States were given broad flexibility to implement welfare services. The law limited lifetime benefits for any individual to 5 years and set state goals for recipients to be engaged in work activities. It established a two-tiered reimbursement rate for the Child and Adult Care Food Program based on the income of the children or the provider. *Personal Responsibility and Work Opportunity Reconciliation Act of 1996, P.L. 104-193*

• **EARNED INCOME TAX CREDIT** expanded and extended to allow more families to qualify. *P.L. 104-193*

• **CHILD CARE AND DEVELOPMENT FUND (CCDF)** replaced the Child Care and Development Block Grant. The former Title IV-A funding was incorporated into the CCDF and states were required to continue to provide state child care funding for at-risk children on a one-to-one matching basis. Subject to meeting that maintenance of effort requirement, states were eligible to receive additional funding with a lower state match. Under the CCDF, the 75%/25% split in funding was eliminated. Instead states were required to use 4% of the funds for quality improvement and were limited to using 5% of the funds for administration. *P.L. 104-193*

• **HEAD START STANDARDS** revised to take effect January 1, 1998. It included new standards for Early Head Start and reorganized the performance standards into three categories: Early Child Development and Health Services, Family and Community Partnerships, and Program Design

and Management. *61 Federal Register 57210, November 6, 1996, P.L. 103-252 (1994)*

1997

• **CHILD TAX CREDIT** of \$400 in 1998 for each dependent of a taxpayer under 17 years of age established. The credit increased to \$500 per child for subsequent years. *Taxpayer Relief Act of 1997, P.L. 105-34*

• **WHITE HOUSE CONFERENCE ON CHILD CARE** held by the Clinton administration on October 23, 1997 to highlight pressing child care issues, including availability, affordability and assuring safety and quality of care.

1998

• **HEADSTART** reauthorized, allowing for-profit organizations to compete for grants for the first time. The percentage of new funds set aside for quality improvement activities was increased to 60% the first year, with declining percentages in succeeding years. Head Start funding was increased by \$315 million to total \$4.66 billion. Early Head Start received an increasing percentage of new funding, reaching 10% by 2003. *Human Services Reauthorization Act of 1998, P.L. 105-285*

• **CAMPUS BASED CHILD CARE** established to provide grants to colleges and universities to provide child care for the children of low-income students. *Higher Education Act Amendments of 1998, P.L. 105-244*

1999

• **CHILD CARE AND DEVELOPMENT FUNDS EARMARKED** for particular activities. Quality activities received an additional \$173 million, quality improvement of infant care received \$50 million, and activities to improve school-age care and expand resource and referral programs received \$19 million. States were expected to supplement current quality activities. California had already overmatched its spending on quality activities, so the earmarks were substantially incorporated into the current spending plan. *2000 Departments of Labor, Health and Human Services, and Education Appropriations Act, P.L. 106-113*

2000

• **HEAD START and THE CHILD CARE AND DEVELOPMENT FUND** received increases of \$933 million and \$817 million, respectively. Of the CCDF quality improvement funds, \$100 million was earmarked for infant and toddler care. 21st Century Community Learning Centers program received an increase of \$392 million and Campus Based Child Care received an increase of \$20 million. *2001 Consolidated Appropriations Act, P.L. 106-554*

• **EARLY LEARNING TRUST FUND** created with initial funding of \$20 million. These funds are available for improving early childhood support services (i.e. home visiting, quality initiatives). *P.L. 106-554*

• **EARLY CHILDHOOD EDUCATOR PROFESSIONAL DEVELOPMENT PROGRAM** created with initial funding of \$10 million. The program provided grants for training of early childhood educators working in communities with high concentrations of poverty. *P.L. 106-554*

2001

• **TAX CUT** of \$1.35 trillion (over 10 years) enacted, reducing resources available for federal programs. Increased the child care tax credit up to \$3000

for one child and \$6000 for 2 or more children. Phased-in an increase in the child tax credit from \$500 (in 2000) to \$1000 per child in 2010; provides limited refundability for low-income tax filers. Increases the income eligibility for married couples for the Earned Income Tax Credit by \$3000. Establishes a federal employer child care tax credit up to 25% of qualified expenses to provide child care for employees and 10% of resource and referral services. *Economic Growth and Tax Relief Reconciliation Act, P.L. 107-16*

• **NO CHILD LEFT BEHIND ACT** reauthorized the Elementary and Secondary Education Act. Created the Early Reading First and Reading First programs to provide training to preschool and K-3 grade teachers on teaching children to read. Established Early Childhood Educator Professional Development grants for a full range of child development training. Administration of the 21st Century Community Learning Centers program was transferred to the states. *No Child Left Behind Act of 2001, P.L. 107-110*

2002

• **TEMPORARY ASSISTANCE FOR NEEDY FAMILIES and CHILD CARE AND DEVELOPMENT BLOCK GRANT** extended at the same level of funding and services several times while the U.S. House and Senate continue to negotiate a reauthorization bill. *P.L. 107-229, P.L. 107-294, P.L. 108-40, P.L. 108-89, P.L. 108-210, P.L. 108-262, P.L. 108-308, P.L. 109-4, P.L. 109-19, P.L. 109-68, P.L. 109-161*

2003

• **INCREASE IN CHILD TAX CREDIT ACCELERATED** as part of another tax cut of \$350 billion. For tax years 2003 and 2004, taxpayers received a tax credit of up to \$1000 per child. *Jobs and Growth Tax Relief Reconciliation Act of 2003, P.L. 108-27*

2004

• **HEAD START** receives an increase of \$67 million, less than a cost-of-living adjustment. Other discretionary programs (including the Child Care and Development Block Grant) received an across-the-board cut of almost 1%. *Consolidated Appropriations Act of 2005, P.L. 108-447*

2005

• **HEAD START** cut by \$57 million after a 1% across-the-board cut is applied from the Department of Defense Appropriations Bill. The Child Care and Development Block Grant and other discretionary programs had no increases before the across-the-board cut. *Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2006, P.L. 109-149; Department of Defense Appropriations Act, 2006, P.L. 109-148*

• **TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)** reauthorized for 5 years as part of the budget reconciliation bill. The reauthorization increases work participation requirements dramatically, increases federal regulation of the program, and continues to freeze the TANF block grant while providing a \$200 million annual increase in the Child Care and Development Fund (less than the amount needed to keep pace with inflation and far short of the estimate needed to meet the new work participation requirements). The reconciliation bill cuts funding for Medicaid, child support, and foster care among other programs. *Deficit Reduction Act of 2005, P.L. 109-171*